



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 11, 1995

CERTIFIED RETURN RECEIPT

P 074 978 945

E. B. King
Jumbo Mining Company
6305 Fern Spring Cove
Austin, Texas 78730

Re: Suspended Operations - Maintenance Concerns, Jumbo Mining Company, Drum Mine, M/027/007, Millard County, Utah

Dear Mr. King:

During the Division's March 9 and March 20, 1995 site inspections, we had the opportunity to examine portions of the mine site area. We noted several areas of the site that have fallen into a state of disrepair and were showing signs of deterioration. It became evident that routine maintenance and upkeep of certain mining and processing facilities had not been provided during the extended period of suspended operations, as required by the Minerals Rules.

The Division has identified the following sections of the Minerals rules which are applicable to the onsite conditions witnessed at the Drum Mine site.

Rule R647-4-107.4, Deleterious Materials - requires all deleterious or potentially deleterious material to be safely removed from the site or kept in an isolated condition such that adverse environmental effects are eliminated or controlled.

Rule R647-4-107.6, Concurrent Reclamation - requires disturbed areas that are not routinely or currently utilized, to be kept in a safe, environmentally stable condition.

Rule R647-4-117.2, Notification of Suspension/Termination of Operations - when an operation exceeds two (2) years of suspension, the operator shall, upon request, provide the Division with such data as it may require to evaluate the status of the

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mining operation, the status of compliance with these rules and the probable future status of the land affected.

Rule R647-4-117.4 allows operations to be approved for extended periods of suspension. Additional interim reclamation or stabilization measures may be required in order for the operation to remain in a continued state of suspension.

As you are aware, the Division was involved in a joint state and federal regulatory agency overview of a number of unacceptable mining practices/conditions identified at the Drum Mine site. This overview ultimately resulted in enforcement action being taken by the BLM, with input from pertinent state regulatory agencies. We understand that certain corrective measures and specific timeframes to satisfy the areas of concern have been prescribed and are presently being addressed by Jumbo Mining Company (JMC).

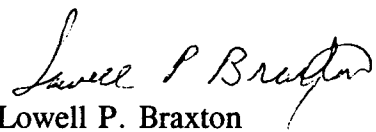
This Division recently received a copy of a June 15, 1995 response letter from the State Division of Water Quality (DWQ), outlining their concerns with JMC's May 26, 1995, proposed *Work Plan for Continued Ground Water Sampling* at the Drum Mine. We concur with many of the concerns and comments raised in DWQ's letter. Of particular joint concern is the present deteriorating condition of the heaps and the leachate collection system. The integrity of the existing leach pad liners, solution conveyance ditches and leak detection/monitoring systems is questionable. During our inspections we noted that the hypalon-lined leachate collection ditches on some of the heaps have seriously deteriorated (rips, punctures and/or breached with slumped ore). A significant portion of the plastic (PVC) process solution distribution and return lines have also fallen into a state of disrepair. The Division expressed its concerns in this regard with Dave Hartshorn while onsite. Mr. Hartshorn indicated that JMC probably could perform a *reasonable* amount of corrective action to address the regulatory concerns in this regard. The June 15th DWQ letter established a 90-day timeframe for JMC to develop and submit a conceptual plan and timetable for stopping any uncontrolled discharge from the existing leach pads and pipelines.

The Division hereby requests that Jumbo Mining Company prepare an *interim maintenance plan* that outlines appropriate measures that will be taken to correct the deteriorated conditions of the leachate containment and conveyance system (pad liners and piping). The plan must also describe how JMC will continue to assess/monitor the collection and conveyance systems (once corrected/repared) to assure their long-term integrity during the period of continued mine suspension. A draft *interim maintenance plan* must be provided to our office within 60 days from your receipt of this letter. Within 30 days from the Division's written acceptance of the *interim maintenance plan*, the plan must be initiated.

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Thank you in advance for your cooperation and attention to this matter. Please contact me or D. Wayne Hedberg of the Minerals staff if you have questions or concerns in this regard.

Sincerely,


Lowell P. Braxton
Associate Director, Mining

jb
pc: Rody Cox, BLM, Warm Spring RA
David Hartshorn, Jumbo, Drum Mine
Jason Knowlton, DERR
Don Ostler, DWQ
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